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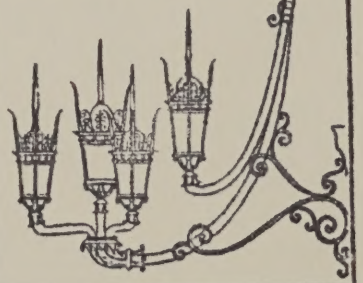

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TOWARD A MORE LIVABLE CITY

A REPORT ON

COMMUNITY DEVELOPMENT REVENUE SHARING

City of Boston
Kevin H. White, Mayor

Boston Redevelopment Authority
Robert T. Kenney, Director

October, 1973

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PREPARING FOR COMMUNITY DEVELOPMENT REVENUE SHARING

PREPARING FOR COMMUNITY DEVELOPMENT REVENUE SHARING

BACKGROUND

By now it is generally accepted that the Federally-supported categorical grant programs of the past, such as urban renewal, are about to be phased out and replaced by some type of Community Development Revenue Sharing (or block grant) Program for cities.

Prospects for passage of Community Development Revenue Sharing (CDRS) are uncertain in this session of Congress, and only an educated guess can be made as to the final form of legislation which will emerge.

But one thing is certain: it is necessary for a city like Boston--which has depended heavily on urban renewal funding--to adopt a strategy for community development so that the transition to the new program under the proposed Better Community Act of 1973 will not be accompanied by any break in the city's ambitious program of revitalization.

Boston is marshalling a city-wide neighborhood development strategy and program. An ambitious 10-year $1.3 billion public facilities program has been adopted, aimed at broad improvements in all neighborhoods. In addition, even larger private and other public investment programs are underway and planned throughout the City. But CDRS funds are vitally needed for key priority needs for which no other funding source is available.

THE NEED TO SET PRIORITIES

CDRS dollars will be available for any of a variety of community development activities.

The Better Communities Act consolidates several existing categorical aid programs including: urban renewal, neighborhood development, and code enforcement; housing rehabilitation loans; open space; model cities; and neighborhood facilities. The activities permitted under the proposed bill are essentially the same as those allowed under the categorical programs. However, under revenue sharing they can be grouped and emphasized in ways most effectively responding to the Boston's particular needs, problems, and funding priorities.

In the past, Boston received separate allocations for various neighborhood programs; it will now be able to decide how much money should be spent for each program within the lump sum grant. CDRS challenges Boston to develop new planning approaches so that the most suitable program design will be obtained. It means careful review of neighborhood needs and a painful choice between competing and equally critical priorities.

ITIZEN PARTICIPATION

Community discussion, a central ingredient in the planning process, will take time and is best accomplished around a set of proposals. It is, therefore, important that the planning effort begin now.

This report represents an initial effort on the part of the Boston Redevelopment Authority in its capacity as the City's Planning Board to begin planning for the advent of Community Development Revenue Sharing. The intent is to help the City and its residents ultimately decide on how Community Development Revenue Sharing funds could be spent. Though larger public and private investment funds are being marshalled for a variety of important and useful purposes in all of our neighborhoods, CDRS funds must play a key catalystic role in certain special areas if the full potential is to be mobilized.

2

A FOCUS ON BOSTON'S NEIGHBORHOODS

IMPROVING THE CITY AS A PLACE TO LIVE

Boston in the past decade has seen the rejuvenation of its downtown, with a consequent gain in jobs and income. The City has become a good place to work. The next phase of its revitalization program should see neighborhood improvements take place so that the city also remains a good place to live.

Inner City and certain older neighborhoods received the bulk of the renewal monies in the 50's and 60's but it is now time to focus on all of the City's neighborhoods. New currents of strength--growth in jobs, income, and population, the City's expanded public facilities program, and rising private and other public investment--suggests the possibility of broad gains in social and physical improvement in all of the City's neighborhoods.

In the late '60's, the City began to turn its attention to the neighborhoods. The Office of Public Service's Little City Halls and the BRA's District Planning Program were begun to give better delivery of City services, including planning, to the neighborhoods. The Housing Inspection Department's Community Improvement Program brought federally assisted code enforcement to several areas.

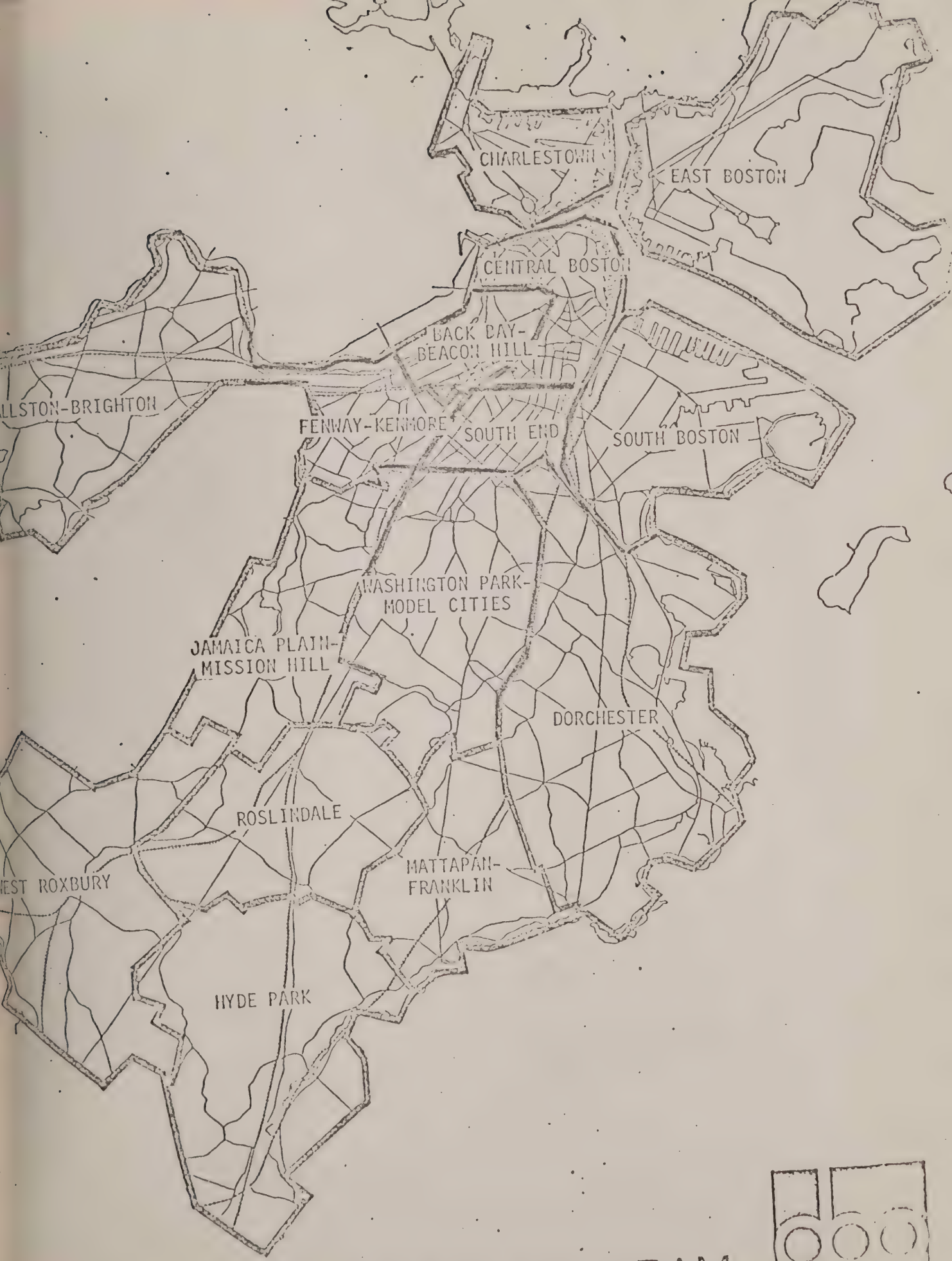
Today, however, an even greater commitment is needed as economic and social forces bring ready progress to some neighborhoods, while gains can be achieved only with painstaking difficulty in others.

DECLINING CONFIDENCE

In many neighborhoods, housing operating costs have risen while family incomes have remained limited and relatively constant. Boston's traditional homeownership patterns, a central component of neighborhood pride, appear threatened as many resident owners become elderly or otherwise unable to pay the costs of homeownership. Spiralling costs, deferred maintenance, inability to obtain financing, and, in some cases, fear of racial change, all contribute to the difficulties of keeping older but still attractive neighborhoods in sound condition.

STABILIZE OLDER RESIDENTIAL AREAS

We believe that a major proportion of Community Development Revenue Sharing Funds should be used to stabilize older residential areas threatened with premature decline. This would complement the City-wide pattern of very substantial public and private investment commitment in all of Boston's neighborhoods. Together, a balanced city-wide neighborhood development program would be achieved.



DISTRICT PLANNING PROGRAM

3

ACTIVITIES ELIGIBLE FOR COMMUNITY DEVELOPMENT REVENUE SHARING FUNDING

ACTIVITIES ELIGIBLE FOR COMMUNITY DEVELOPMENT REVENUE SHARING FUNDING

Community Development Revenue Sharing funds can be used for a number of activities which would improve Boston's neighborhoods and encourage private residential improvement.

URBAN RENEWAL

In Boston, urban renewal is the major categorical program being replaced by revenue sharing. Nine existing projects must be continued and completed over the next few years and require approximately $65 million in federal money for completion.

Urban Renewal projects carry out activities at an intense level. Their focus is on complete revitalization--often involving a change in character of the project area. The projects have been able to reverse decisively decline in those neighborhoods. Confidence of residents has also been restored by achievement of the renewal plan goals. An effort is now underway to evaluate the original plans for these projects in terms of cost alternatives for completing those projects and meeting all stated goals. Even with reduced costs, urban renewal projects will require a substantial amount of revenue sharing funds.

CODE ENFORCEMENT

Along with public investments in the neighborhoods, residence-by-residence code enforcement could be funded by CDRS to help encourage home improvements. In uncertain market areas, code enforcement would assure owners that neighboring homes would also be improved. In areas with high demand, it would encourage profit-minded landlords to make thorough repairs. Code enforcement would also offer technical and financial counselling to homeowners..

FIX-UP SUBSIDIES

Code enforcement activities must be accompanied by adequate home financing. Besides the high risk loan insurance needed to assist households with low credit ratings, direct subsidies are needed to help homeowners who cannot afford the total payments on home improvement loans needed to fix up their buildings.

Approximately 20% of Boston's households are estimated to need direct public assistance to upgrade their housing.

MODEL CITIES PROGRAM

Boston's Model Cities program has helped to coordinate a number of federally assisted programs to serve residents of the model neighborhoods area. Unlike all other federal categorical programs proposed to be included in Community Development Revenue Sharing, the existing Model Cities program has consisted of a wide variety of both physical improvements and social service programs. Continuation of this program, which has been vital in upgrading the economic and social well-being of Boston's model neighborhood residents, will depend heavily upon funding through CDRS.

AREAS WITH CONFLICTING LAND USE

Many areas, particulary East Boston, South Boston and Allston-Brighton, have extensive sections where industry borders and is often intermingled with housing, creating an unpleasant environment for the residences. This condition also occurs around industrial pockets in Model Cities, Dorchester, Roslindale and Hyde Park. CDRS funds can be used to relocate intruding uses or to screen bordering industrial areas.

HISTORIC PRESERVATION

Historic preservation offers a special opportunity to improve the image of a number of neighborhoods, rich in historical sites and distinctive architecture. In recent years, historic preservation through both private and public efforts has proceeded on a large scale in the Back Bay, Beacon Hill, and waterfront areas, and to a lesser degree in other neighborhoods. However, throughout the city, extensive preservation work remains to be done.

MAJOR COMMERCIAL AREAS

CDRS funds can also provide public improvements in neighborhood commercial centers. Major neighborhood shopping areas often set an image for the surrounding residential areas. While all continue to play an important role in serving their communities, about two-thirds have a majority of their stores in less than good condition. Fifty percent have neither a public parking lot nor a transit stop. All need to have improvements to make them more pleasant for pedestrians, such as street and walk improvements, street planting and lights.

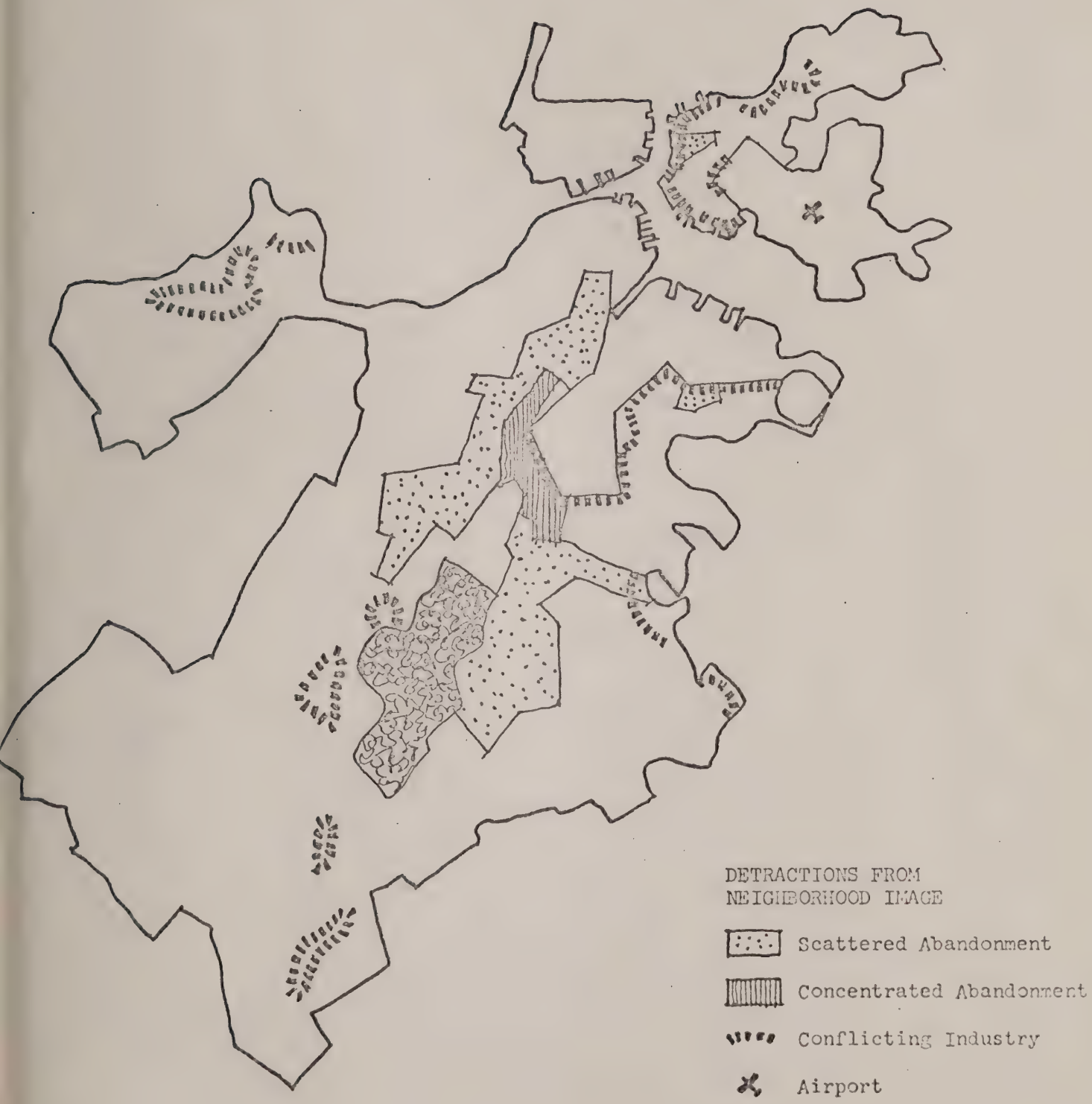
ABANDONED HOUSING AND SCATTERED VACANT LOTS

CDRS funds can be used to arrange for replacement or rehabilitation of abandoned buildings and redevelopment of vacant lots, which can detract from otherwise satisfactory residential areas.

Approximately 1% of Boston's housing stock, or 2,200 units are so badly deteriorated that they require demolition. These units are those which are likely to be abandoned due to their unhabitable condition.

PUBLIC IMPROVEMENTS

Certain public improvements are eligible for CDRS funds, such as multipurpose neighborhood centers providing concerted community health, recreational, or social services and such as replacement of Boston's aging water and sewer lines.


DETRACTIONS FROM
NEIGHBORHOOD IMAGE
Scattered Abandonment
Concentrated Abandonment
Conflicting Industry
Airport

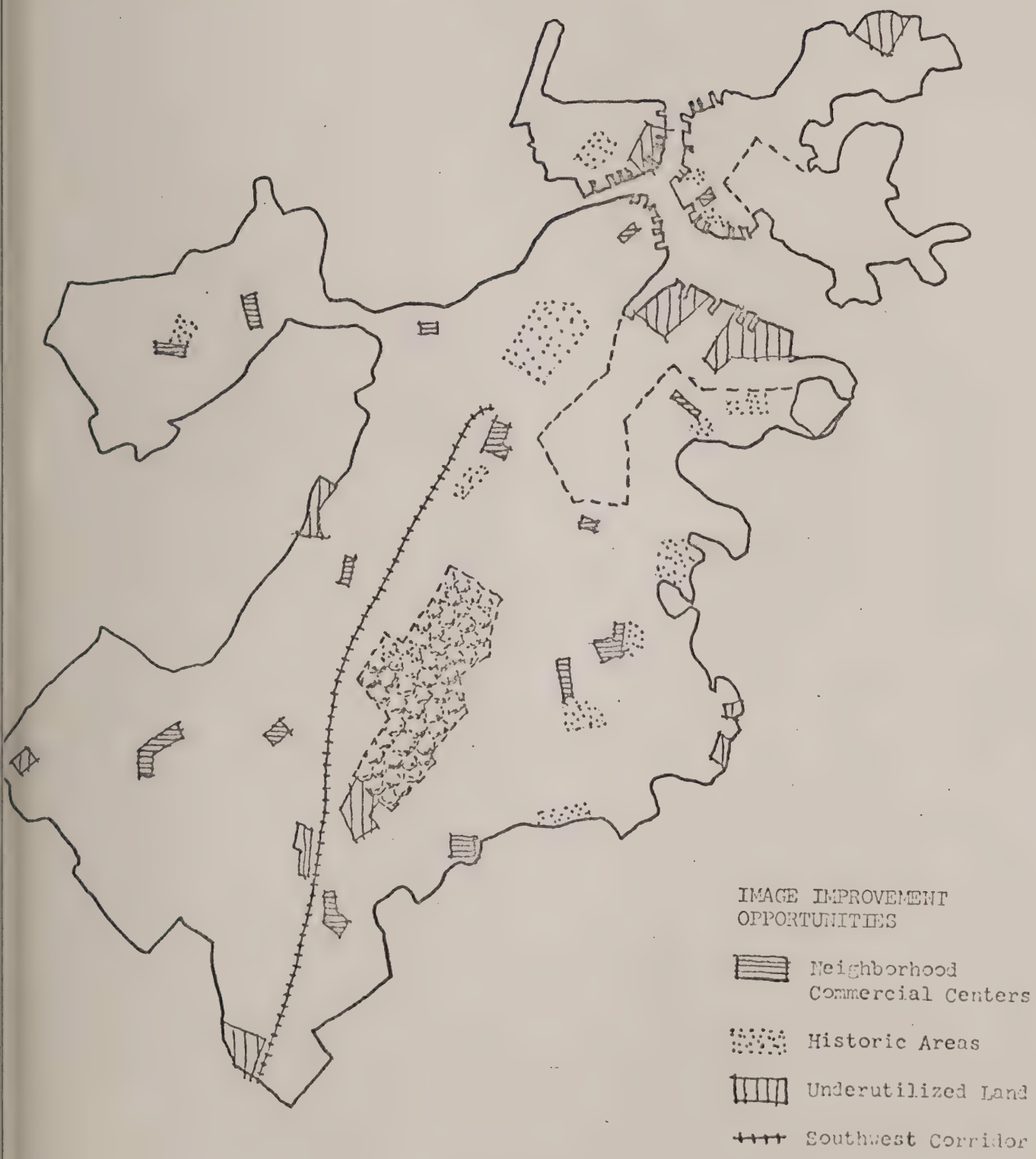


IMAGE IMPROVEMENT
OPPORTUNITIES
Neighborhood
Commercial Centers
Historic Areas
Underutilized Land
Southwest Corridor

4

THE HOUSING SITUATION

THE HOUSING SITUATION

The state of the existing housing stock is the key determinant of neighborhood condition and we will note major aspects of the housing situation before presenting city-wide community development needs.

THE EXISTING STOCK

Buildings with four or fewer units comprise 70 percent of all residential structures, and over three out of four of these were resident owned in 1970. Though much of our housing was built around the turn of the century, it is by no means obsolete.

Today, however, there is a problem of upkeep in Boston. Based on a recent survey by the City Housing Inspection Department, 70 to 90 percent of the City's housing units are technically below State Sanitary Code requirements. It is estimated that it would require $300 million in repairs to bring the total housing stock of Boston up to code standards. The important fact to remember, however, is that the vast majority of the housing units--70%--require less than $1000 in repairs, while only a small proportion require major and costly rehabilitation.

ABILITY TO PAY

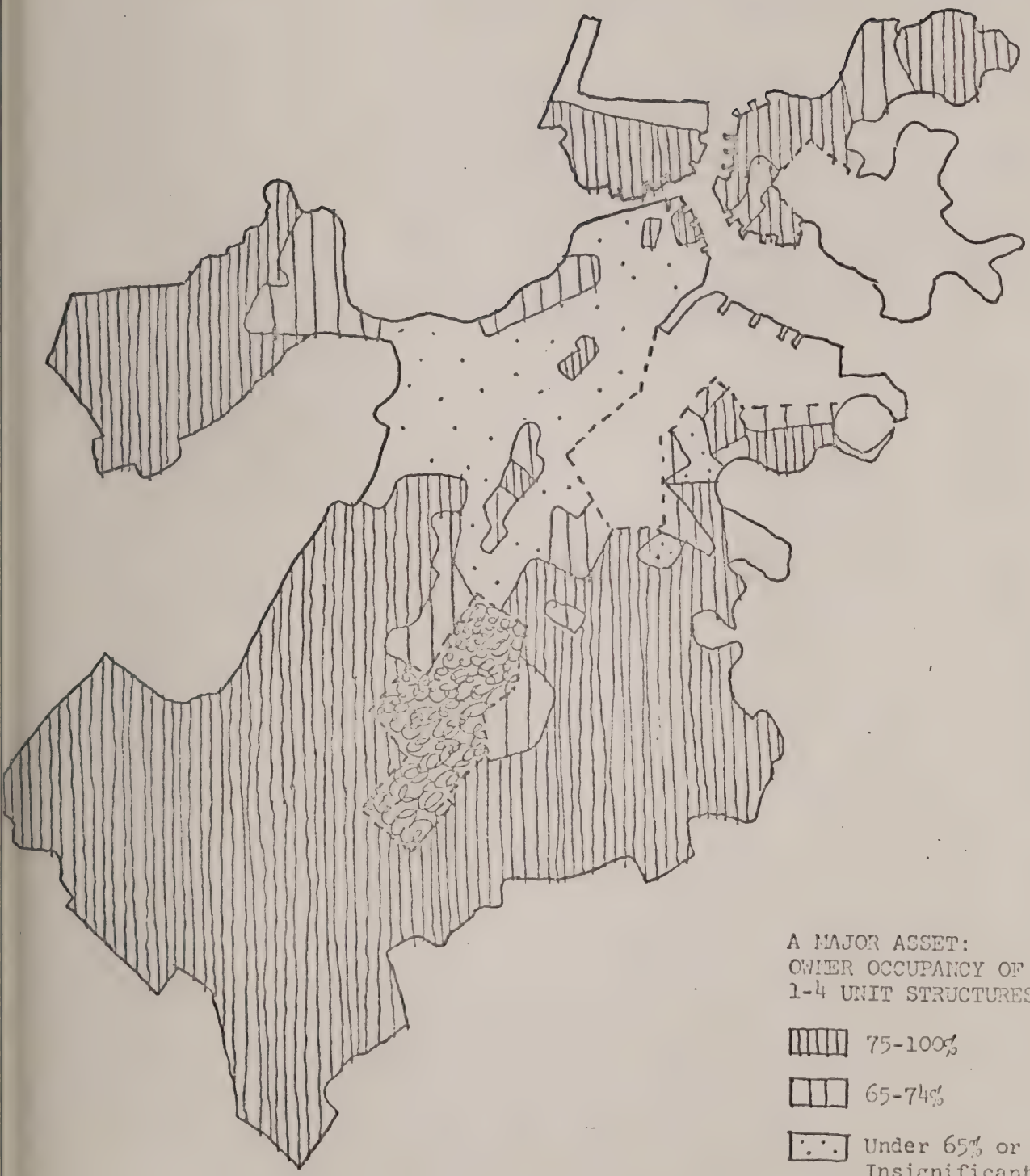
The majority of Boston's homeowners could afford the repairs needed on their housing and would have credit ratings which would enable them to obtain necessary loans.

HIGH RISK LOAN INSURANCE

Certain households may not be given home improvement loans by lenders because they do not have enough equity in the house, have a poor credit rating, live in an area which the lending institution considers a risky investment, or do not have ample income to afford monthly payments. Based upon family income, it is roughly estimated that about one-third of Boston's households may need home improvement loan risk insurance or loans directly from a high risk loan pool.

SUBSIDY NEED

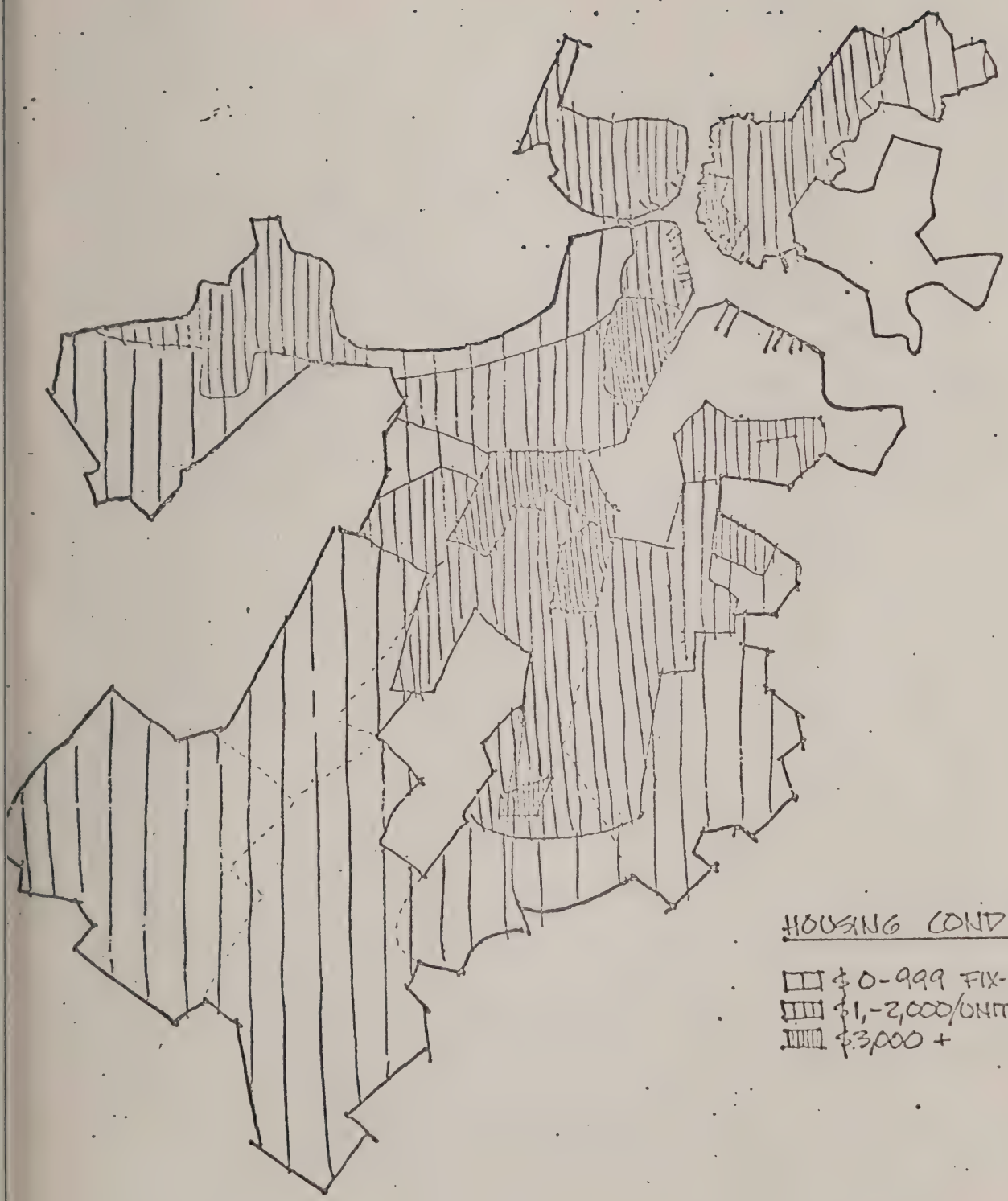
In addition, direct subsidies are needed to help homeowners who cannot afford to fix up their buildings. A first approximation of the total amount of home improvement grants needed in Boston can be made by assuming that all families with incomes under $5000 will require direct fix-up grants. Approximately 20% of Boston's households are estimated to need direct public assistance to upgrade their housing. Thus, while there is strength in Boston's neighborhoods, special financing is imperative for that segment of the population unable to afford housing through strictly private financing mechanisms.

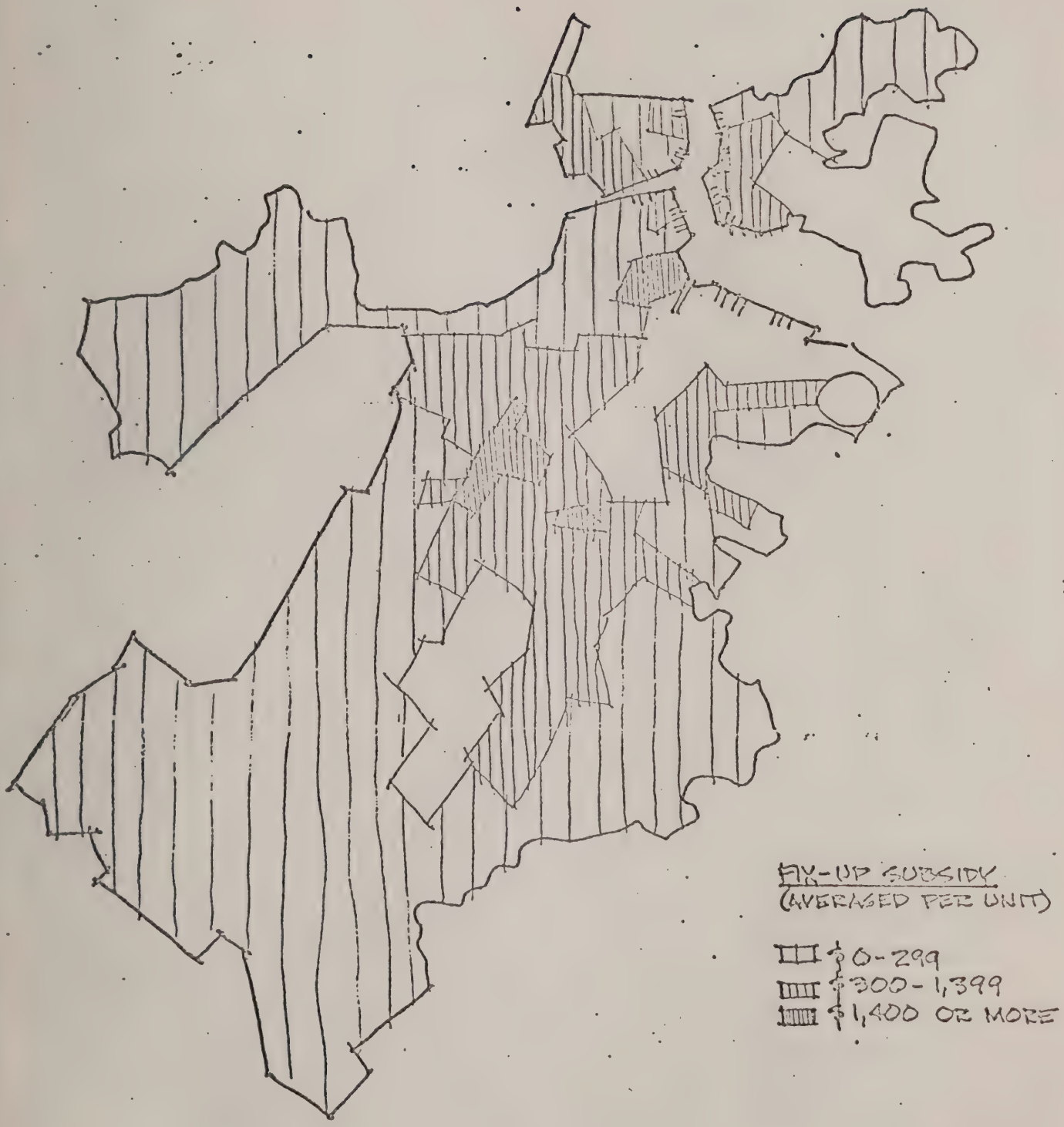

A MAJOR ASSET:
OWNER OCCUPANCY OF
1-4 UNIT STRUCTURES
75-100%
65-74%
Under 65% or
Insignificant No.
of 1-4 Unit
Structures

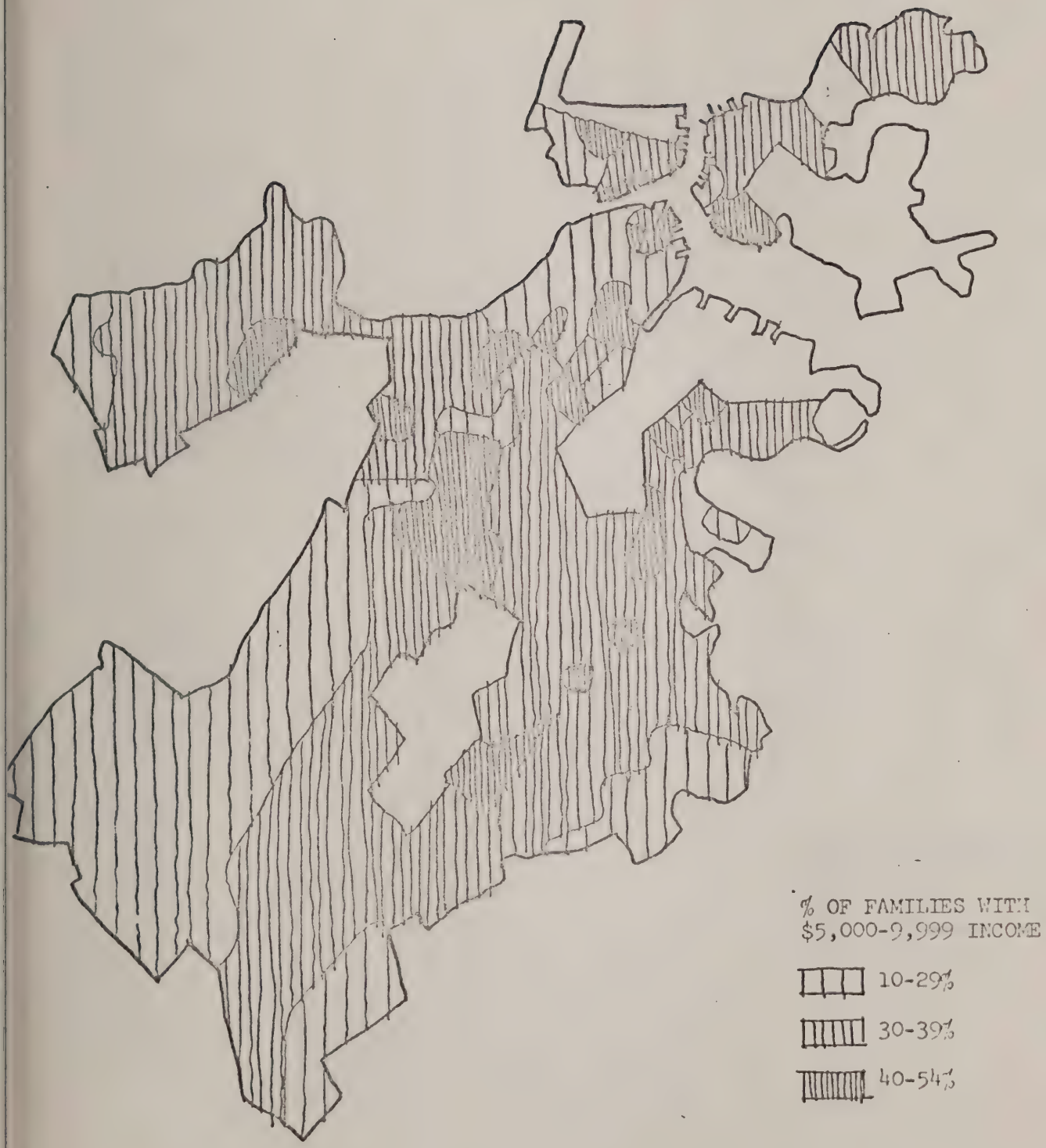
CONCLUSION

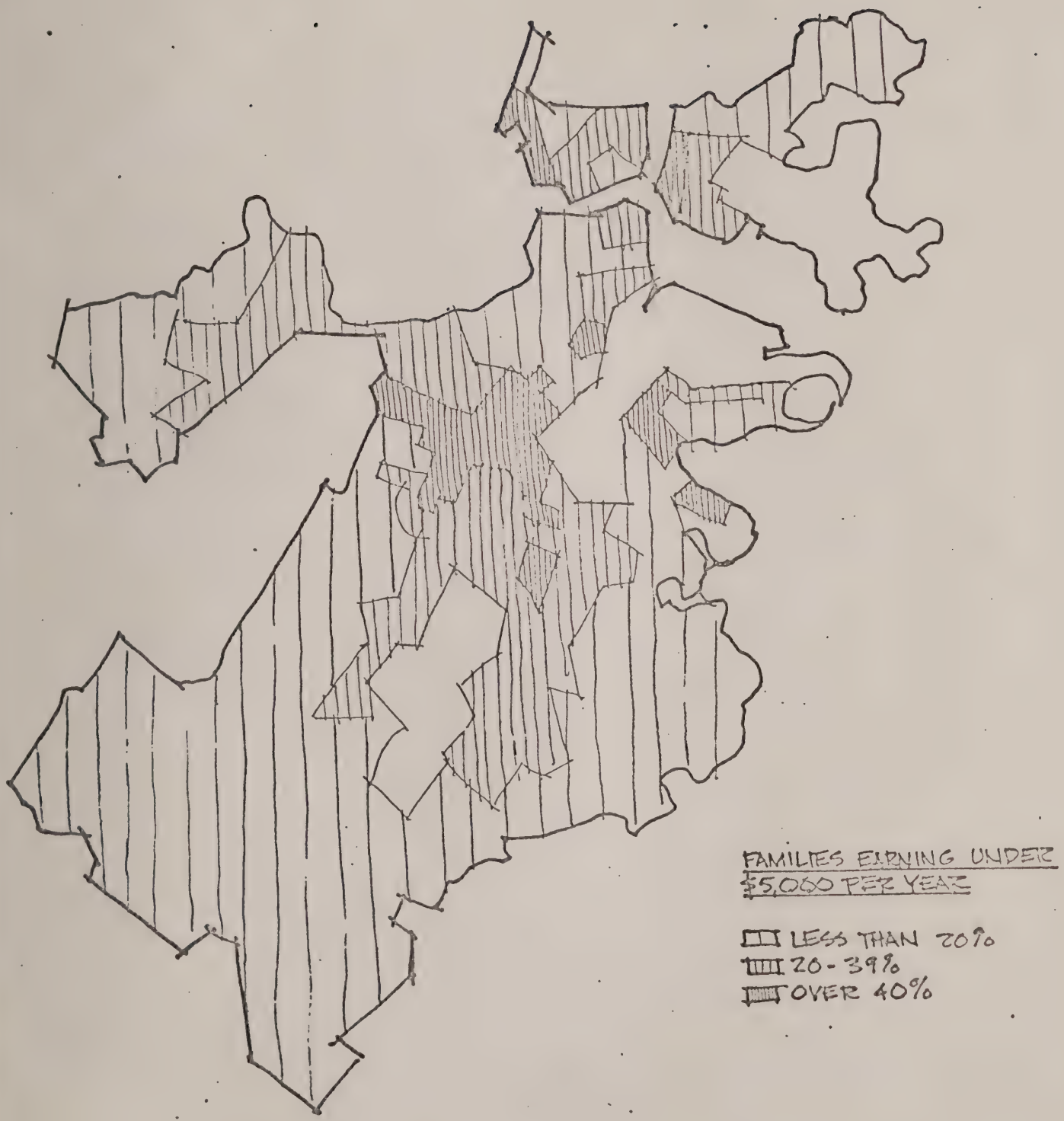
Boston's housing stock can be one of the city's major attributes. Modest amounts of money for improvements made now can prevent the need for major repairs later. Special grants and financing, imperative for those unable to afford repairs through strictly private financing, would help to prevent the decline of Boston's housing stock and assure the residential future of Boston.

The proposed use of CDRS funds for housing fix-up would complement a broader approach to Boston's housing needs and opportunities encompassed in a wide-ranging new housing strategy, plan and program now in preparation. The new housing program in preparation focuses on the opportunities and needs for new housing construction for middle and upper income families, the elderly, and other low and moderate income families, as well as the improvement of the existing stock of housing.


HOUSING CONDITION
$0-999 FIX-UP COST
$1,-2,000/UNIT FIX-UP COST
$3,000 +


FIX-UP SUBSIDY
(AVERAGED PER UNIT)
$0-299
$300-1,399
$1,400 OR MORE


% OF FAMILIES WITH
$5,000-9,999 INCOME
10-29%
30-39%
40-54%


FAMILIES EARNING UNDER
$5,000 PER YEAR
LESS THAN 20%
20-39%
OVER 40%

5

SUMMARY OF COMMUNITY DEVELOPMENT NEEDS

SUMMARY OF COMMUNITY DEVELOPMENT NEEDS

NEIGHBORHOOD TREATMENT

The accompanying map shows the need for eligible CDRS activities in the various Boston neighborhoods. This is based on a preliminary evaluation of housing condition, family income and the environment. The activities are grouped as follows:

CONSERVATION

Conservation activities include increased public improvements and code enforcement activities. Financial and technical counselling would be employed in areas with light to moderate fix-up needs and little or no abandonment or conflicting industrial property. In areas where lenders have been hesitant to give loans, the program would need to work with lending institutions to make conventional and insured financing available.

IMPROVEMENT

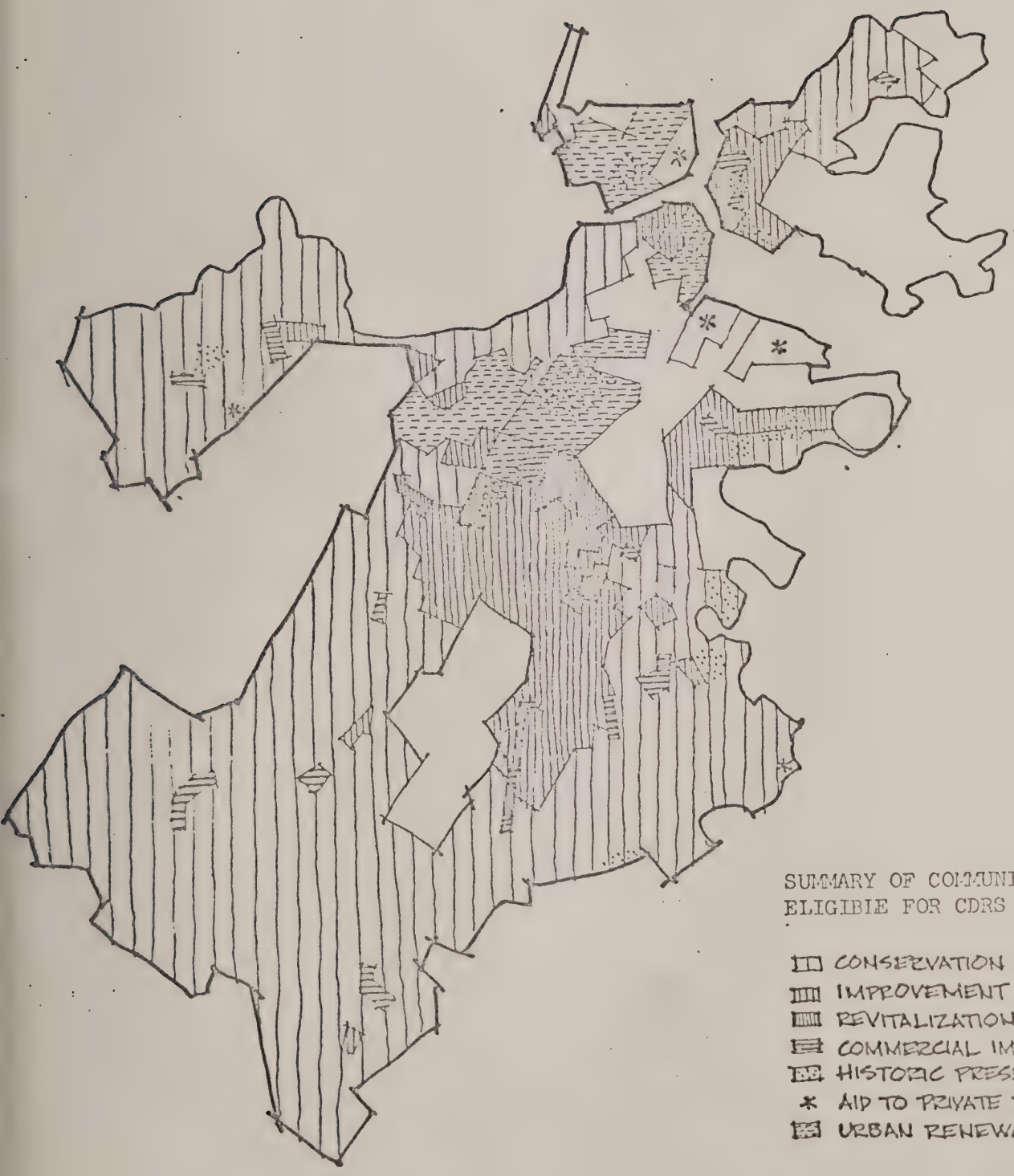
Improvement activities include code enforcement and close work with lending institutions to increase mortgage and home improvement loan availabilities, a visible increase in public improvements, and spot redevelopment of abandoned properties or conflicting uses. Improvement activities would be used in neighborhoods with greater fix-up needs and, usually, declining housing values aggravated by a limited number of abandoned buildings or intruding industrial uses.

REVITALIZATION

Revitalization activities include major redevelopment and code enforcement, with heavy subsidies, along with an increase in or replacement of public improvements. Revitalization would be used in the few areas of the city where there are extensive vacant lots or abandoned residential or commercial properties. These areas often also have other heavily deteriorated buildings or a number of intruding industrial uses.

TIME FRAME

A necessary consideration in deciding how to meet neighborhood needs is the level of funding available. Though large public and private investment commitments, affecting all neighborhoods, have been made, (some $4.3 billion of public and private investment in neighborhoods is underway or planned) the City's 10-year 1973-82 public facilities program totals $1.3 billion, and longer term 10-year goals call for $8.5 billion of public and private investment in the neighborhoods. The needs outlined above will require special financing. The total cost of the needs identified would be in the vicinity of $500 million if every item eligible for CDRS funds were to be implemented. At the proposed rate of funding, it would take nearly twenty years to carry out the eligible activities. Boston's neighborhoods cannot wait 20 years.



SUMMARY OF COMMUNITY NEEDS
ELIGIBLE FOR CDRS FUNDS

- CONSERVATION
- IMPROVEMENT
- REVITALIZATION
- COMMERCIAL IMPROVEMENT
- HISTORIC PRESERVATION
- * AID TO PRIVATE DEVELOPMENT
- URBAN RENEWAL AREA

6

PUBLIC ACTIONS AS CATALYSTS

PUBLIC ACTIONS AS CATALYSTS

ROLE OF THE PRIVATE SECTOR

Public funds will never be available in adequate amounts to meet all of the neighborhood needs. The major thrust in improving the neighborhoods must therefore be based upon the concept of public action as a catalyst and the reintroduction of private sector involvement. Many of Boston's neighborhoods are attractive and strong enough so that limited improvements and investment now are sufficient to prevent future decline.

The limited public funds available for improving neighborhoods must be maximized by using them to encourage private fix-up.

IMPEDIMENTS TO HOUSING REPAIR

Even though repairs are within financial reach for most owners, many are unwilling to make the needed improvements. Some fear neighborhood decline. Of the third of Boston's homeowners who are elderly, some cannot obtain home improvement loans because of age or cannot find new owners because of a lack of mortgages in their area. In strong market areas, landlords may be unwilling to make thorough repairs because they can rent without them. Both homeowners and landlords may put off repairs because of fear of reassessment.

Bank and City practices often have a multiplier effect on residents' fear of neighborhood decline. Lending institutions curtail mortgages, except to absentee landlords, City services decline. As a result, residents stop making repairs and are willing to sell to speculators and absentee landlords. The neighborhood changes, not so much from one ethnic group to another or from elderly owners to younger, but from a high homeownership neighborhood to an absentee-owned area. The new owners take less personal pride in the area and make repairs strictly on an investment basis.

PROPOSED PUBLIC ACTIONS

Available financing, new city improvements, fix-up by neighbors, and code enforcement can encourage owners to invest in their properties.

Under the proposed CDRS aspect of the City-wide neighborhood development program, additional public efforts would be concentrated in a group of neighborhood programs carried out in strategic areas. Concentrated action in these areas would be used to encourage private improvements in both the immediate areas and the surrounding communities. Areas would be chosen where the cost of public efforts would be moderate and where these efforts would have a major impact on a wide area.

In addition, the program would work with lending institutions throughout the city and would establish a city-wide high risk loan insurance program. These actions would insure that owners who were encouraged to carry out repairs and improvements would be able to obtain financing--in all sections of the city.

7

ESTABLISHING PRIORITIES

THE PRIORITY ISSUE

The City and its residents must soon make a choice as to how scarce funds will be spent. Not all the needed programs can be initiated immediately and neighborhood priorities must be established. This is by far the most crucial aspect of Community Development Revenue Sharing. BRA suggests the strategies outlined below as a framework for this process.

SELECTING STRATEGIC AREAS

Six main strategies are proposed to encourage private improvements based on how well private up-keep has been working. Three of these require a major commitment of CDRS funds, while the other three could be funded in part from other sources.

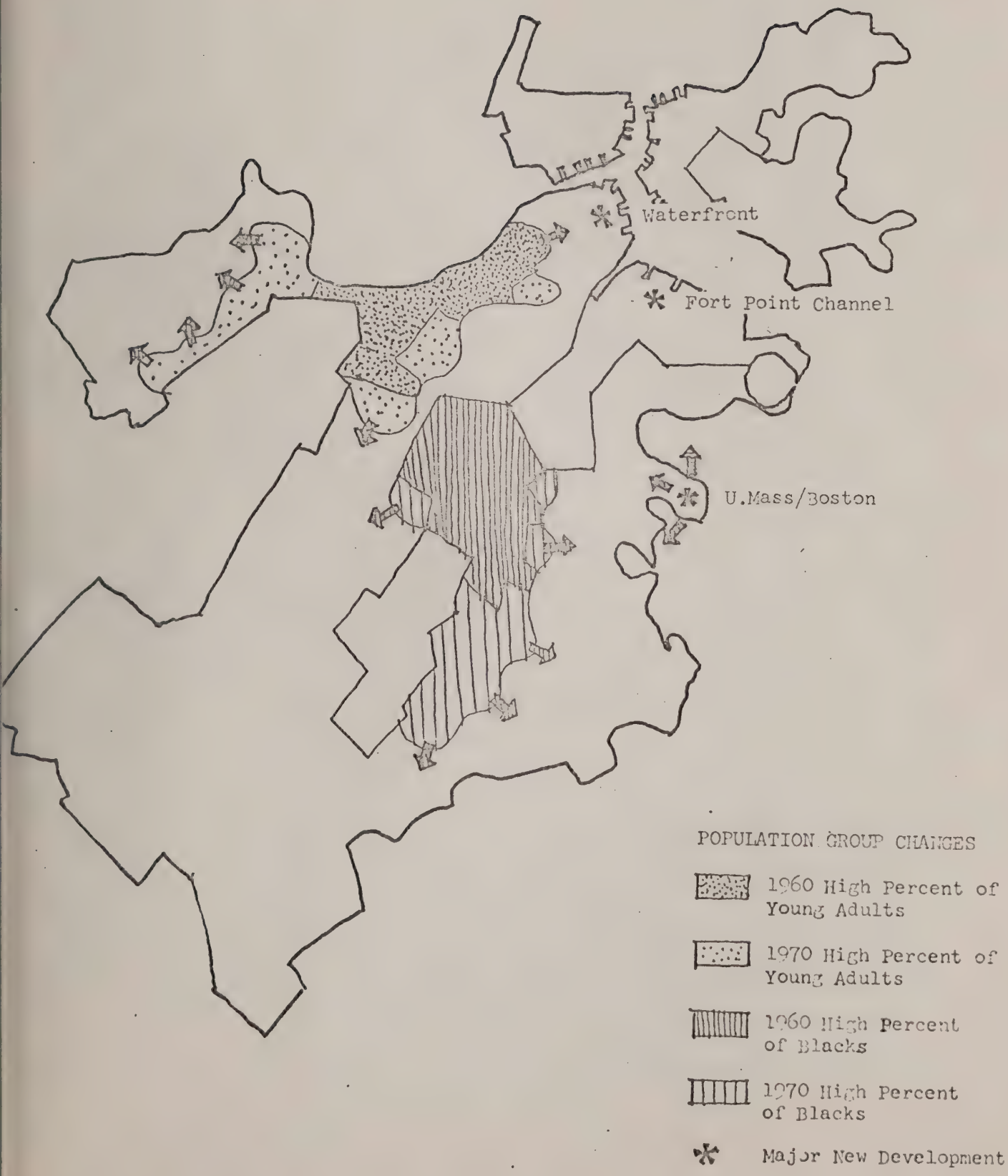
1. Show public commitment to restore private faith and catch deferred maintenance early in mildly declining areas.

   Due to a chain of events set off by fear of racial change or by loss of younger families, parts of Boston's turn-of-the-century streetcar suburbs are in danger of losing the kind of stable community which keeps most of the City's neighborhoods in good condition. Major investment of CDRS funds is needed throughout these areas to reestablish private confidence.

   House-to-house code enforcement should be used to encourage owners to keep housing in repair by offering technical and financial counselling and assuring that one's neighbors are also making improvements. Grants should be available to low income owners, abandoned houses replaced, intruding uses removed, so that no structures are left in poor condition to bring down the image of a street. Street trees, lights, new paving can help refurbish the image of residential streets. Major emphasis should also be put on upgrading the major commercial centers in these areas to help restore the image of the surrounding areas.

2. Improve the image of community focal points in areas which need to maintain their competitive attractiveness.

   Boston's more suburban areas are in generally good condition, but continue to lose population to the surrounding metropolitan areas. As elsewhere in Boston, improving the schools will go a long way to making these areas more attractive to families. Improving the commercial


Waterfront
Fort Point Channel
U.Mass/Boston
POPULATION GROUP CHANGES
1960 High Percent of Young Adults
1970 High Percent of Young Adults
1960 High Percent of Blacks
1970 High Percent of Blacks
Major New Development

INDICATOR OF NEIGHBORHOOD
CONFIDENCE: 1960-70
CHANGE IN SINGLE-FAMILY
HOME VALUES
Strongly rising
Mildly rising
Mildly declining
Strongly declining

centers of these areas, which offer many good stores but often look in less than best condition, could have a major impact on the image of these areas.

3. Focus on the stronger neighborhoods first to rebuild confidence in areas with major decline.

   In the Model Cities areas and the immediately adjoining sections of Dorchester and Franklin, the City should focus on the stronger sections where homeowners have been trying to maintain pleasant neighborhoods in spite of abandoned housing and other negative impacts. The same type of code enforcement, grants, removal of abandoned buildings, and public improvements program as needed in the mildly declining areas should be used to support these areas.

4. Use the Waterfront and Southwest Corridor to create a new image for their neighborhood communities.

   Opportunities for major new developments which would have a major impact on their neighboring communities should not be lost. There are major sections of the waterfronts in East Boston, Charlestown, South Boston and Dorchester which area available for redevelopment. The City can help to encourage beneficial redevelopment by coordinating plans and offering incentives, such as aid with water, sewer or streets. In some cases, these can be found from operating budgets; in other cases they may need community development funds or funds under special programs, such as Bureau of Outdoor Recreation Programs. The Southwest Corridor is a similar opportunity to affect a number of communities. Where the Corridor is fringed with abandoned structures, vacant lots and conflicting industrial and residential uses, these areas should be included in the redevelopment of the Corridor.

5. Encourage adequate maintenance in high rent areas.

   In apartment areas with high rents but low levels of maintenance, block-by-block code enforcement could be used along with certain public improvements, such as street lights. A schedule should be developed to cover the apartment areas of Allston-Brighton, Kenmore, Back Bay and Beacon Hill over the next three years.

INDICATORS OF
ATTRACTIVENESS TO
ABSENTEE OWNERS
High rents in
apartment areas
Low rents in
rising value areas

6. Encourage through repairs and preserve homeownership in areas with rising demand.

Demand for housing close to downtown and to educational institutions is also beginning to affect traditionally resident-owned areas. At the same time, homeowners see the areas becoming less attractive for families. Building conditions in these areas have been kept fairly well by resident owners but some improvements are needed as past rents and residents' incomes have been moderate. The emphasis in these areas must be on maintaining homeownership. Code enforcement can be used to discourage speculation, but more important, lenders must be encouraged to loan to resident owners rather than speculators, and city improvements must be provided in order to maintain these areas as good family neighborhoods.

To have city-wide impact, these six neighborhood strategies must be accompanied by efforts to make home improvement financing available throughout the City. Therefore, an intensive campaign to enlist the support of banks and lending institutions is a vital prerequisite to the program.

8

PRIORITY AREAS

PRIORITY AREAS

RIORITY NEIGHBORHOODS

The priority areas for CDRS funds suggested by the strategies outlined in the previous chapter include:

ORCHESTER AND MATTAPAN

1. Columbia, Jones Hill, Ashmont Hill, and Codman Hill in Dorchester and Wellington Hill in Mattapan: communities at the edge of racial change which have experienced mild decline in housing values and which have moderate fix-up needs. Pockets of commercial abandonment need redevelopment. A federally-assisted concentrated code enforcement program has been successfully completed in the Fields Corner portion of this area.

ISSION HILL, JAMAICA PLAIN, AND ROSLINDALE

2. Mission Hill and eastern portions of Jamaica Plain and Forest Hills in Roslindale: communities with a high number of elderly homeowners and moderate fix-up needs which have been impacted by the Southwest Corridor clearance. The northern portions of this area have experienced mild decline in housing values. Young adults have moved into the Mission Hill area and blacks have moved into adjoining Egleston Square. A successful code enforcement program has already been completed in a portion of this area.

DXBURY

3. The Hill and Sav-Mor in Model Cities: communities with major but lighter improvement needs than the surrounding area. Urban renewal has been completed in Washington Park, is underway at Campus High, and is proposed for Kittredge Square and Brunswick-King.

AST BOSTON, NORTH END

4. Eagle Hill and Harbor View in East Boston and the North End in Central Boston: communities with strong market pressure due to their access to central Boston and with moderate fix-up needs.

OUTH BOSTON

5. City Point and Telegraph Hill in South Boston: communities with strong market and have moderate fix-up needs, which will receive additional housing demand due to U-Mass/Boston.

AST BOSTON

6. Waterfront in East Boston: An ongoing program needing public funds to develop new uses along the waterfront.

Other priority areas which might be funded from other sources include:

EIGHBORHOOD COMMERCIAL CENTERS

1. Fourteen major neighborhood commercial centers including Maverick Square in East Boston, Salem Street in the North End, Broadway in South

Boston, Codman Square and Uphams Corner in Dorchester, Harvard Avenue in Allston, Brighton Center in Brighton, Kenmore Square in Kenmore, Centre Street in Jamaica Plain, Dudley Station in Roxbury, Roslindale Square in Roslindale, Mattapan Square in Mattapan, Cleary Square in Hyde Park, and Centre Street in West Roxbury.

WATERFRONT AREAS

2. Waterfront areas in Charlestown, South Boston and Dorchester: Opportunities to encourage private redevelopment and provide better access to Boston's waterfront for open space and recreation purposes. In particular, the closing of the Navy Bases in Charlestown and South Boston offers unparalleled opportunities for a variety of new development ranging from new industrial uses in South Boston to historic preservation and open space in Charlestown.

SOUTHWEST CORRIDOR

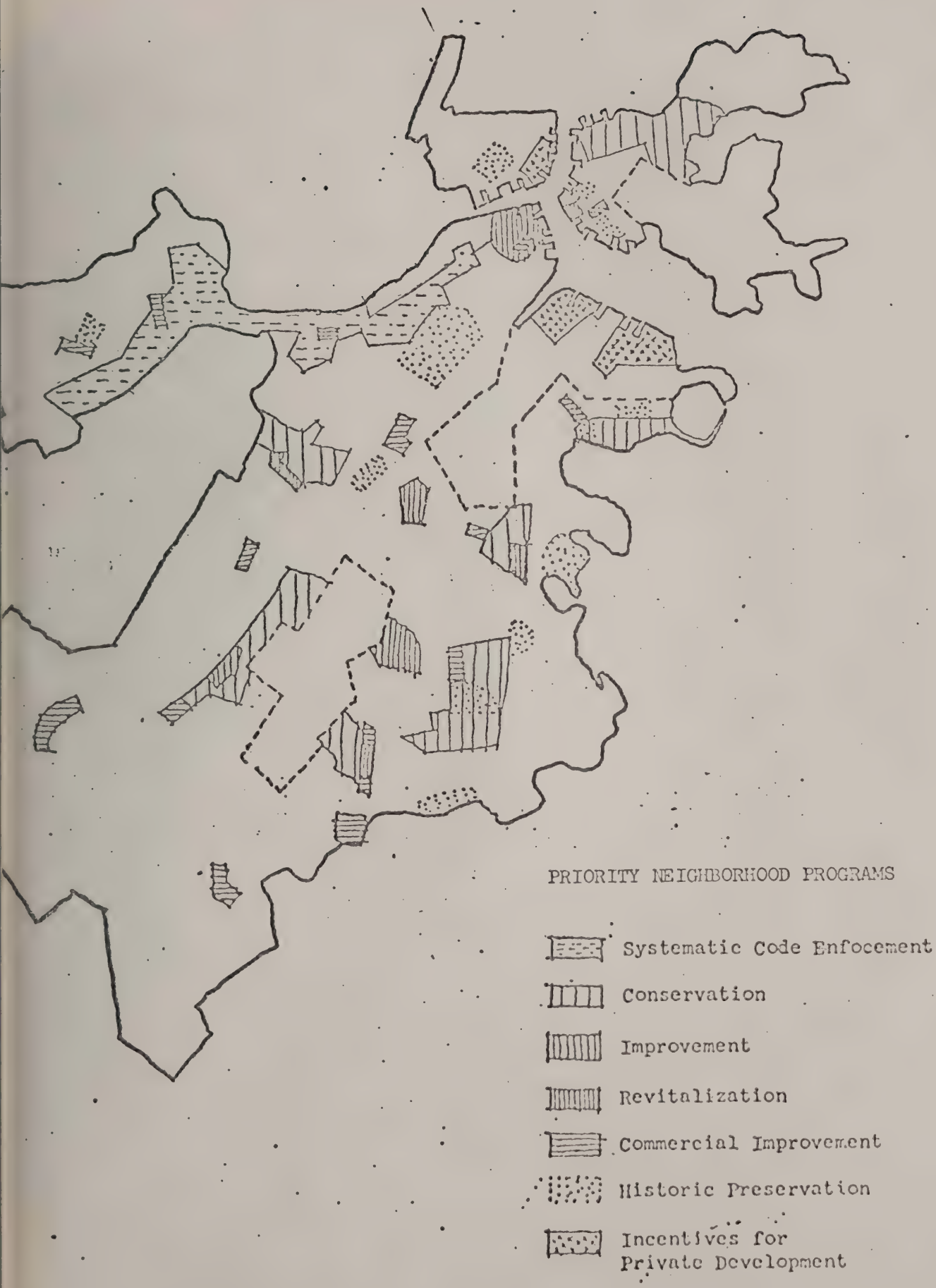
3. Southwest Corridor: Major efforts are underway to determine what types of development are appropriate in sections of the vacant land areas along the Southwest Corridor. Such development could greatly assist in helping to stabilize older neighborhoods in this section of the city.

ALLSTON-BRIGHTON, KENMORE, BACK BAY

4. Commonwealth Avenue in Allston-Brighton, Kenmore, the southern portion of Back Bay, and the back of Beacon Hill: high rent areas with moderate improvement needs. Systematic code enforcement has begun along Commonwealth Avenue in Brighton Code enforcement using a tax incentive is also underway in Allston.

The thrust of this report is clearly in the direction of repair and rehabilitation, conservation and conversion. It does not rule out redevelopment, but the redevelopment that is suggested is renewal on a much smaller scale than in the past.

But for the most part the program being suggested is one which relies on a concept of the catalyst. Many of Boston's neighborhoods are still attractive enough and still strong enough so that limited improvements and investment are sufficient to reverse decline. These priorities would supplement the large City 10-year public facility program already underway in all neighborhoods, as well as the sizeable private and other public investment underway and planned.


PRIORITY NEIGHBORHOOD PROGRAMS
Systematic Code Enfocement
Conservation
Improvement
Revitalization
Commercial Improvement
Historic Preservation
Incentives for
Private Development

9

FUNDING THE PROGRAM

FUNDING THE PROGRAM

COST GAP

The suggested priority neighborhood programs, supported by a city-wide high risk home improvement loan insurance program, could be carried out during four years at an estimated cost of $150 million. Given recent activity levels, this presents a reasonable rate of implementation.

The problem faced by the City in meeting the objectives outlined above is that projected incoming funds will not approach the amounts received in the past. The CDRS funding anticipated by the City under the proposed legislation may be summarized as follows:

CDRS Yearly Amounts

Fiscal Year 1974	$ 0
1975	21.5
1976	21.5
1977	18.2
1978	14.8
1979	11.3
1980	11.3
1981	11.3
1982	11.3
1983	11.3

The amount of CDRS funds anticipated during the first four years is less than what the City received in 1972 alone. Though much larger levels of funding may be anticipated in other private and public capital expenditure programs, CDRS funding is vital for the range of priorities described above, for which no other type of funding would be available.

RNATIVES TO CLOSE COST GAP

To close this cost gap, the City must take the following important steps:

1. Seek changes in the proposed legislation. The amount of CDRS funds coming to the City will be determined by a formula based on the amount of population, poverty, and overcrowding in Boston compared to other cities. An amount called the "hold harmless", based on the average yearly amount of money received by the City 1968-72, will cushion the drop from recent funding levels to the formula amount. For the first two years of revenue sharing, the City will recieve the full "hold harmless" amount, $21.5 million per year. Over the next three years, it will be phased out down to the formula level, $11.3 million.

   Changes in the "hold harmless" formula, allowing Model Cities and relocation assistance grants to be counted in the 5-year average, would increase

community development funds for Boston by $37.8 million. This amount would be received during the first 4 years before the "hold harmless" is phased out, making a 4-year total of $113.8 million instead of $76.0 million.

Equally important, the City should seek to retain full "hold-harmless" level over the next several years.

2. Although certain types of public improvements can be funded under CDRS, the City should not allocate CDRS funds for improvements already programmed. For example, until four years ago, the City's public improvements were underfunded. To meet long deferred investment, a ten-year $1.3 billion Capital Improvements Program has been approved, financed from bonds and other City and State sources. Included are parks and public works, which technically are eligible for CDRS funds, and libraries, police and fire stations, which are not. These improvements will be as important to the neighborhoods as the federally funded programs and are a necessary and complementary part of an overall strategy of neighborhood improvement.

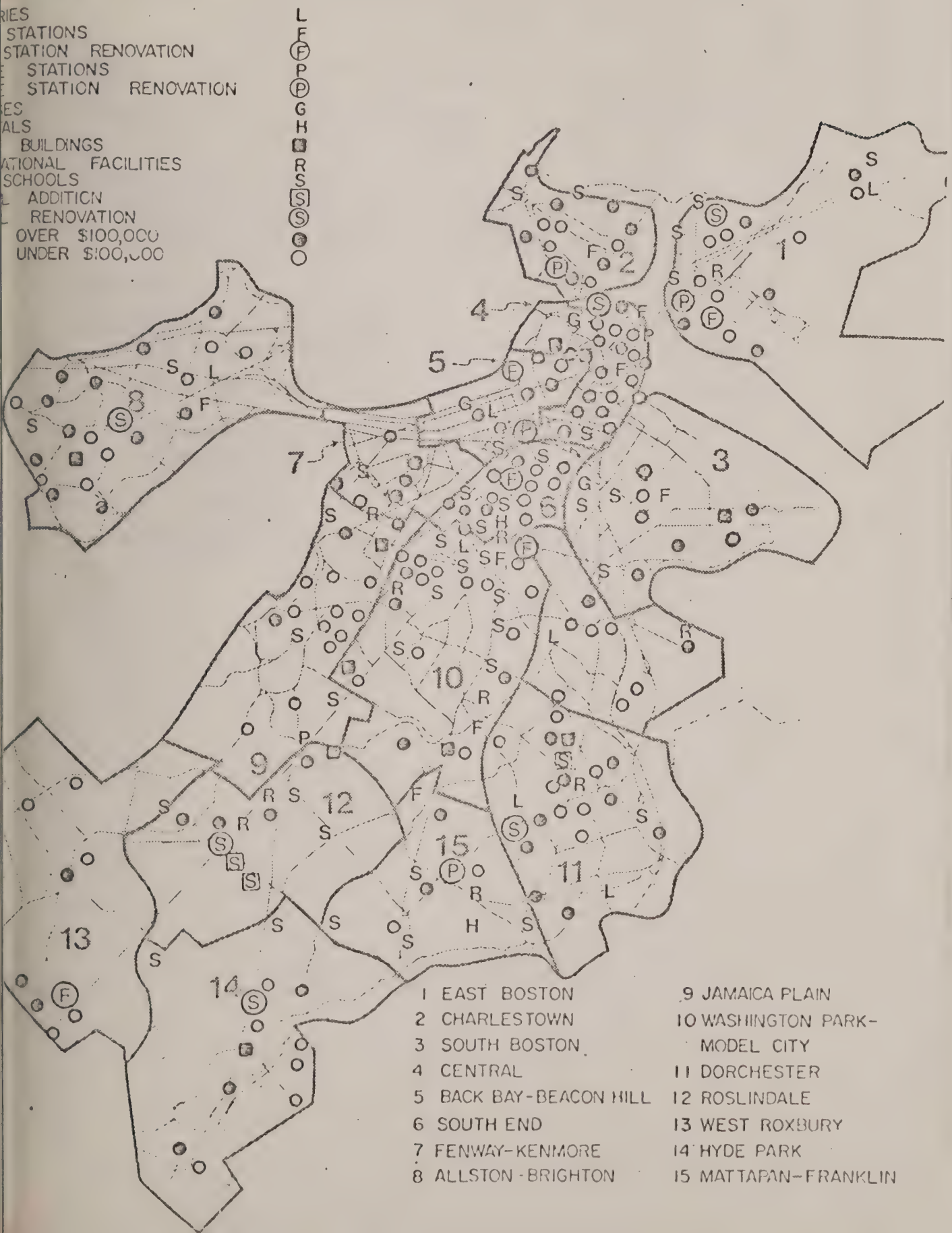
3. Completing all urban renewal projects by 1975, as suggested by the proposed Better Communities Act, would demand virtually all of revenue sharing funds for the first two years (1975 and 1976), assuming projects were completed as originally planned. The BRA is currently re-evaluating original cost requirements to determine areas of cost reduction without necessarily sacrificing main goals of project plans. Additional HUD funding for urban renewal should be sought, especially for 1974.

ESTIMATED ADDITIONAL FEDERAL FUNDS NEEDED FOR URBAN RENEWAL PROJECTS

Fiscal Year	1974	1975	1976	1977	1978	1979	Total
Washington Park	$ .5	$ .5	Closed	-	-	-	$ 1.0
Charlestown	2.7	2.8	Closed	-	-	-	5.5
South End	5.8	6.0	$ 4.0	$ 4.0	$ 4.0	$ 4.0	27.8 ($30.0 to
Waterfront	3.8	3.8	Closed	-	-	-	7.6 Close Out)
Bedford-West	5.8	Closed	-	-	-	-	5.8
South Cove	2.8	2.8	Closed	-	-	-	5.6
Fenway	4.3	4.2	Closed	-	-	-	8.5
Total	$25.7	$20.1	$ 4.0	$ 4.0	$ 4.0	$ 4.0	$61.8

4. To help fund the priority program, the City should seek additional funds from other State and Federal sources, such as the U.S. Bureau of Outdoor Recreation, U.S. Department of Interior, U.S. and State Environmental Protection Agencies, State Department of Natural Resources, and the State Sewer and Water and Urban Renewal programs.

C FACILITIES AND CAPITAL IMPROVEMENTS, CITY OF BOSTON
OL CONSTRUCTION, PARK IMPROVEMENTS, AND OTHER FACILITIES
PROGRAM, 1973-1982



Closing the cost gap is feasible and any of the above alternatives would go a long way toward closing it.

SUMMARY OF FOUR-YEAR FUNDING SITUATION

ESTIMATED COST FOR PRIORITY PROGRAMS (including Urban Renewal Needs)		$140.0
PROBABLE FUNDS AVAILABLE		
Community Development Revenue Sharing	$76.0	
Urban Renewal Balance as of June 1973	7.5	
Anticipated HUD Fiscal Year 1974 Funds	16.3	$ 99.8
COST GAP		$ 40.2
ALTERNATIVES TO CLOSE THE GAP		
State and Local Matching Funds at Previous Level		$ 60.0
and/or		and/or
Additional Funds from Change in "Hold Harmless" Formula		$ 37.8
and/or		and/or
Additional HUD Funding of Urban Renewal Projects		$ 10.0

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NEXT STEPS

EW PROCESS

This brochure, which summarizes current data and thinking within the BRA on priorities for CDRS funds, is being circulated for comment.

The CDRS program priorities here presented represent a key element of the broader city-wide neighborhood strategy now being shaped. A discussion of specific priorities at the neighborhood level must take place before specific uses for CDRS funds can be allocated.

Direct involvement of resident and business groups in both the decision making and implementation stages of the Community Development Program is vital to its success. Not only are these groups the most reliable sources of information about problems facing the varied neighborhoods throughout the city, but they are also essential to soliciting local private investments to complement limited public resources.

The Community Development Program can build on the community planning process that is evolving during the BRA's master planning effort. Community and business groups are currently involved in assessing local problems, goals and strategies. Their approval of district master plans will be sought before the City adopts the final city-wide master plan. These same groups should play an active role in deciding funding priorities for the proposed Community Development Program and in monitoring implementation of the program as it is funded.

NG UP

Other crucial issues, such as how the City's management structure must prepare for CDRS, have not been addressed in this brochure. Further study is planned for that area.

Some of the proposed neighborhood programs suggested will be more complex than the recent federally assisted code enforcement programs. They will involve not only code enforcement and public improvements, as in recent programs, but also spot redevelopment.

Thus, a new system for coordinating scattered site redevelopment is needed. For example, at present the City's handling of tax-foreclosed abandoned buildings may involve five City agencies: the Tax Collector, Land Court, and Real Property Department, and in some cases, the Boston Redevelopment Authority

and Building Department. At a minimum under current laws, the procedure for acquiring tax delinquent property takes three years, and normally takes four to seven years. During this time, buildings are usually vandalized and deteriorate beyond repair. A change in administrative procedures could do much to remedy this problem.

Several policy tools affecting home improvement also need development.

Because property taxes are a major housing expense, code enforcement must be accompanied by a clear and fair tax assessment policies which encourage housing upkeep. As part of the Community Development Program, an official delayed-assessment policy for home repairs should be developed. At present, it is fear of reassessment and not necessarily reassessment practice which is an obstacle to encouraging home repair.

In addition, more pragmatic and operational housing code standards are needed and to help pay for repairs at an early stage, a rent escrowing system sensitive to owners' and tenants' abilities to pay should also be established.

In short, CDRS offers an opportunity for the City to be more responsive and more flexible in handling federal funds. Both the priority review process and the City's organization structure should reflect this new spirit.

BOSTON REDEVELOPMENT AUTHORITY

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reparation of this report was financed in part through a Federal grant from
epartment of Housing and Urban Development under the provisions of Section 701
e Housing Act of 1954, as amended.